



THE WANADA BULLETIN

NEWS AND INFORMATION FOR AND ABOUT FRANCHISED NEW CAR DEALERS IN THE WASHINGTON AREA

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FRANKFURT AUTO SHOW HIGHLIGHTS

WAS Delegation Meets with Automaker Execs in Frankfurt *Green Theme Permeates 2007 Frankfurt Auto Show*

Like most global auto shows these days, the 2007 Frankfurt Auto Show – the largest of them all – showcased a good bit of “green” advanced technology. Indeed, horsepower and exotic designs took a back seat among the sea of motor vehicles in Frankfurt designed to run cleaner and go farther on a gallon of gas or diesel, with electric, fuel cell and hybrid technologies, front and center.

“This was particularly pertinent for The Washington Auto Show (WAS) because we are situated at the core of the U.S. federal establishment and Congress which, for

better or worse, are partners with the auto industry in determining things like clean air and fuel economy standards,” said George Doetsch, immediate past chairman of the WAS Committee, who was part of a DC delegation in Frankfurt.

“As evidenced by the recent NADA Washington Conference, CAFE and environmental issues dominated the legislative agenda, which ties in directly with our *Congressional Auto Show* vision,” Doetsch added. Elaborating, Doetsch said the WAS vision highlights advanced technologies and projects an event that opens the door to enhanced dialogue

between industry and U.S. government leaders.

In a demonstration of ongoing support for the importance of a *tier-one* auto show in Washington, Vincent Gray, chairman of the City Council of the District of Columbia, joined the WAS delegation, as did DC Deputy Mayor Neil Albert.

Chairman Gray was interviewed in Frankfurt by Warren Brown for the *On Wheels* program that was broadcast live in Washington on WMET radio last Tuesday, Sept. 11. Brown, automotive editor for The Washington Post, interacted with the WAS delegation, which was busy meeting with automaker executives who were present during media days in Frankfurt. The WAS delegation, along with Dave McCurdy, president of the Alliance of Automobile Manufacturers, spoke with Dieter Zetsche, chairman,

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Top: DC Deputy Mayor Neil Albert (left) and Vince Gray, chairman of the DC City Council. Above, from left: Vince Gray, Dave McCurdy, president, Alliance of Automobile Manufacturers and BMW World President and Chairman of the Board of Management Norbert Reithofer.

Below: Stefan Jacoby, president of Volkswagen of America (second from right), flanked by Chairman Gray and Deputy Mayor Albert, with George Doetsch, (far left) and Dave McCurdy of the Alliance.



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SAVE THE DATE!!!**WANADA Annual Meeting & Luncheon***Tuesday, November 27, 2007, McLean Hilton***Featuring James Carville and Mary Matalin***Sponsored by Autotrader.com*

Washington Area new auto dealer principals, key managers, and business associates will not want to miss WANADA's 2007 Annual Meeting and Luncheon, with keynote speakers James Carville and Mary Matalin, Washington's foremost political odd couple and savvy political consultants, authors and media pundits.

Representing opposite ends of the political spectrum - he is a former campaign consultant for President Clinton, she's a former assistant to President Bush and counselor to Vice-President Cheney - Carville and Matalin can be counted on to offer a balanced, highly entertaining analysis of the presidential campaigns already underway full bore with the election still a year away.

So mark your calendars for lunch with WANADA leadership on November 27. This is an event dealers and guests will not want to miss!

**INSURANCE UPDATE****WANADA Broadens Role in Property/Casualty Program***More Choice, Tailored Coverage*

Effective November 1, 2007, WANADA will have two new property and casualty insurance carriers for dealer members to access – directly through the WANADA Insurance Agency.

“We are very enthusiastic about this development in our insurance programming for members,” said WANADA Executive Vice President John O’Donnell. “We’ve hired Bob D’Angelo, former Universal Underwriters regional sales manager, to run the operations of this new direction.”

WANADA has partnered with major property and casualty carriers to renew and place coverage for WANADA dealer members and is willing to discuss the insurance needs of its members to tailor specific coverage solutions wherever possible. “The WANADA Insurance Committee’s goal is to provide customized property and casualty products at competitive pricing, and we believe we have set the stage for this,” said O’Donnell.

Dealers interested in more information, or receiving a proposal for workers compensation or property and casualty insurance (a.k.a. “garage keepers” coverage), please contact John O’Donnell at 202-237-7200 or via email, jod@wanada.org.

DEALER OPERATIONS**EEOC Report for Dealers With 100 Or More Employees Due by Sept. 30**

General managers, office managers and controllers are reminded that Equal Employment Opportunity Commission (EEOC) reports are required to be submitted by employers who have 100 or more employees, including “affiliated entities.” The report must be generated from data collected during any pay period between July and September 2007, and must include all full and part-time employees. These reports are due no later than **September 30, 2007**.

The information gathered in this report is primarily used for statistical purposes to measure the hiring practices of women and minorities, and eliminate employment discrimination based on race, color, religion, sex or national origin. Also, the information is used to investigate discrimination allegations and enforce federal anti-discrimination laws.

Detailed instructions, forms and information regarding changes in ethnic, racial and job categories are available online at www.eeoc.gov/eeo1survey/index.html.

VA MVDB REPORT

VA Dealer Board Adopts New Policy for Storage of Dealer Records

At its September 10, 2007 meeting at DMV headquarters in Richmond, the Virginia Motor Vehicle Dealer Board (MVDB) adopted a significant new policy for storage of dealer records. Under Virginia law, dealers must maintain records concerning employees, vehicle inventories, vehicle transactions, and other important matters at the place of business. The records must be available for immediate review by MVDB representatives who visit dealerships.

In the past, MVDB has granted variances to dealers who wish to maintain certain records off the premises. The new policy is designed to permit flexibility without going to MVDB for a variance given the increasing electronic maintenance of records.

The new policy will permit off-site storage of records, *provided* they are immediately retrievable electronically at the originating dealer or retrievable under other limited circumstances. MVDB will publish its new policy in an upcoming issue of its newsletter that goes to all Virginia dealers.

Other notable actions by MVDB include the following:

Special Event Sales. A Virginia dealer was investigated for having a "special event" sale in which there was concern that salespeople were not employees of the dealership. When the MVDB investigator arrived, the dealer did not immediately make available records concerning the employment of the

salespeople. While it later turned out that the salespeople were employees, a civil penalty of \$350 was imposed for not making records available immediately for the MVDB representative.

There are two important lessons from this case. First, dealers are reminded that "special event" sales in which salespeople are employees of the special event company and not of the dealer are impermissible under Virginia law. Sales activities may be undertaken only by licensed salespeople. To be licensed, a salesperson must be a W-2 employee of the dealership.

Second, official MVDB representatives have the right of immediate access to records that are required to be kept onsite by statute when they arrive at a dealership. In this case, the dealer was concerned because of the request for employment records, fearing a violation of privacy laws. However, Motor Vehicle Dealer Board representatives are statutorily empowered to review such records, and there is an exemption under privacy laws for disclosure of relevant information to them.

Material Misstatement Policy. MVDB decided to make no change to its material misstatement policy as to licensed applicants. An applicant for a sales license who has had a conviction, but who does not reveal it on the application will not be licensed in the ordinary course. Instead, under MVDB policy, such an

applicant can wait six months and reapply, or the applicant must undergo a hearing process where the Board must make a final decision on the application. MVDB staff considered some suggestions for changes to the policy, but the Board determined not to make those changes.

Advertising. MVDB voted to support a legislative proposal to change Virginia advertising law to allow dealers to indicate limited availability of new cars by advertising stock number. A recent Virginia Supreme Court decision ruled that under current Virginia law listing a new car by its stock number is an impermissible indication of limited availability of advertised vehicles.

MVDB scheduled its next meeting for Monday, November 5, 2007, meeting, as it does, every other month.

ASE Certification Tests
Automotive Professionals,
Don't miss the opportunity
to take ASE's
Certification Tests!

Register by
Sept. 30, 2007
Testing on
Nov. 8, 13 and 15, 2007
Over 750 Sites throughout
U.S. and Canada

Register by mail, online or
by toll-free telephone!

Contact ASE Customer Service
at 703-669-6600
ASE, 101 Blue Seal Dr., S.E., Suite 101
Leesburg, VA 20175
Toll-free recorded information:
1-888-ASE-TEST (273-8378)
Register online at www.ase.com

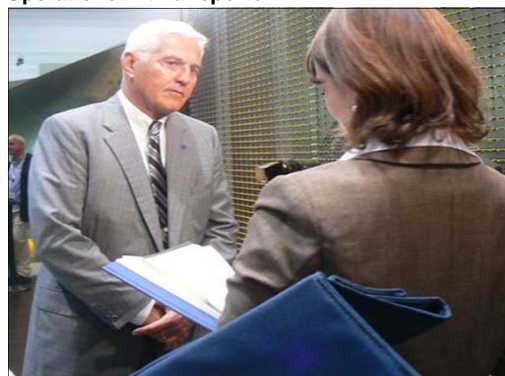
FRANKFURT AUTO SHOW HIGHLIGHTS

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DaimlerChrysler AG and Ford Motor Co. vice presidents. The WAS delegates similarly benefited by some quality time with Automotive News publisher Keith Crain and the president of the German Association of the Automotive Industry, Matthias Wissmann. DC city leaders interacted with the U.S. Consul General, Jo Ellen Powell, who attended a dinner hosted by the WAS delegation. WAS producer representatives Gerard Murphy, Barbara Pomerance and Bob Yoffe rounded out the delegation, along with DC government relations counsel, Douglas Patton.



Pictured above, from the left are Gloria Bergquist from the Alliance with Warren Brown of The Washington Post; center, Jo Ellen Powell, U.S. Consul General at Frankfurt with Vince Gray, chairman of the DC Council; above, right, GM's Tom Cornwell, director of auto shows and operations (center) flanked by Chairman Gray and Neil Albert, DC deputy mayor. Left is one of several levels of the Mercedes-Benz pavilion at *Internationale Automobil-Ausstellung* (IAA); below, is Bob Lutz, chairman of GM North American Operations with a reporter.



“Dealership Spotlight” in Washington Times Auto Section

Those reading the Friday auto section of the Washington Times may have noticed a new running feature called “Dealership Spotlight” that focuses on a different dealership each week and tells about a dealer’s history, management and mission. This is a great opportunity for dealers to be showcased in the community, as the auto section is distributed to grocery and convenience stores in addition to the paper’s subscribers, reaching hundreds of thousands of potential motor vehicle buyers.

If you would like to be featured, contact Les Jackson to schedule an interview at 703-528-2954, or by email at ljcarguy@cavtel.net.

Thought for the Week...

I learned to love very dearly the right of free expression when I lived without that freedom for a while a long time ago.

-Sen. John McCain, former prisoner of war in Vietnam
National POW / MIA Recognition Day, September 21, 2007